

EXHIBIT 1

P/S aes
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State Farm

APR 10 2014

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

Insurance

MARION SKORO and MIRELLA SKORO,
as individuals,

Case No.

1404-04436

Plaintiffs,

SUMMONS

v.

STATE FARM FIRE AND CASUALTY
COMPANY, a foreign corporation,

Defendants.

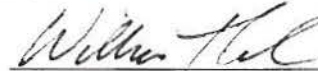
TO: State Farm Fire and Casualty Company
c/o Registered Agent: Rob Roach
550 Hawthorne Avenue, SE
Salem, OR 97301

IN THE NAME OF THE STATE OF OREGON: You are hereby required to appear and defend the Civil Complaint filed against you in the above-entitled action within thirty (30) days from the date of service of this Summons on you. If you fail to appear and defend, Plaintiffs will apply to the court for the relief demanded in the Civil Complaint.

NOTICE TO THE DEFENDANT: READ THESE PAPERS CAREFULLY!

You must "appear" in this case or the other side will win automatically. To "appear" you must file with the court a legal paper called a "motion" or "answer". The "motion" or "answer" must be given to the court clerk or administrator within 30 days along with the required filing fee. It must be in proper form and have proof of service on the Plaintiffs' attorney or, if the Plaintiffs do not have an attorney, proof of service on the Plaintiffs.

If you have any questions, you should see an attorney immediately. If you need help in finding an attorney, you may call the Oregon State Bar's Lawyer Referral Service at (503) 684-3763 or toll-free in Oregon at (800) 452-7636.



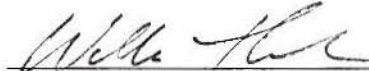
SIGNATURE OF ATTORNEY/AUTHOR FOR PLAINTIFFS

WILLIAM J. THRUSH 091557
ATTORNEY'S/AUTHOR'S NAME OSB. BAR NO.MARVIN CHORZEMPA & LARSON, P.C.
4380 SW Macadam Avenue
Suite 515, River Forum One
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Phone: (503) 232-1410 / Fax: (503) 234-1824
Email: billthrush@mca-law.com

Trial Attorney if other than Above OSB. BAR NO.

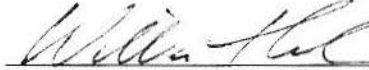
STATE OF OREGON, County of Multnomah) ss.

I, the undersigned attorney of record for the Plaintiffs, certify that the foregoing is an exact and complete copy of the original Summons and Civil Complaint in the above-entitled action.



ATTORNEY OF RECORD FOR PLAINTIFFS

TO THE OFFICER OR OTHER PERSON SERVING THIS SUMMONS: You are hereby directed to serve a true copy of this Summons, together with a true copy of the Civil Complaint mentioned therein, upon the individual(s) or other legal entities to whom or which this Summons is directed, and to make your proof of service on the reverse hereof or upon a separate similar document which you shall attach hereto.



ATTORNEY OF RECORD FOR PLAINTIFFS

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IN THE CIRCUIT COURT FOR THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

MARION SKORO and MIRELLA SKORO,
as individuals,

Plaintiffs,

v.

STATE FARM FIRE AND CASUALTY
COMPANY CO., a foreign corporation,

Defendant.

1404-04436

Case No. _____

CIVIL COMPLAINT

BREACH OF CONTRACT,
NEGLIGENCE, IMPLIED COVENANT,
NEGLIGENT MISREPRESENTATION

Prayer Amount: \$92,086.45

Filing Fee: \$531.00

Fee Authority: ORS 21.160(1)(e)

JURY TRIAL REQUESTED

Plaintiffs, Mr. and Mrs. Skoro allege as follows:

1.

Plaintiffs are the owners of real property located at 19300 NW Gillihan Road in
Portland, Oregon (the "Property").

2.

Defendant State Farm Fire and Casualty at all times mentioned herein is a foreign

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1 corporation, authorized to do business in Oregon, that issued to the Plaintiffs' policy number
2 37-BH-V049-7 classified as a homeowners policy.

3 3.

4 Richard Lucas is a State Farm Insurance Agent who acted, at all times, as the
5 insurance agent for the Defendant State Farm Fire and Casualty.

6 4.

7 Defendant's policy with the Plaintiffs was issued for valuable consideration in the
8 form of policy premiums which were at all times fully paid by Plaintiffs.

9 5.

10 Pursuant to the policy, the Defendant insured Plaintiffs' property and agreed to pay for
11 certain losses, including, but not limited to, damage to the dwelling, dwelling extension
12 personal property and contents as an "all risk" policy.

13 6.

14 On April 28, 2013, there was a fire on the Property that completely destroyed a stand-
15 alone workshop, all of the Plaintiffs' personal contents that were stored in the workshop, the
16 existing water pump that provided the water supply to Plaintiffs' residence and surrounding
17 property, and destroyed existing trees and landscaping on the Property.

18 **FIRST CLAIM FOR RELIEF**

19 (Breach of Contract)

20 7.

21 The losses suffered by the Plaintiffs herein fall within the coverage of Plaintiffs'
22 policy. Under the terms of the policy, Plaintiffs timely sought payment from the Defendant

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1 for all of Plaintiffs' damages. Despite the fact that their claim is covered, the Defendants
 2 have refused and neglected to pay portions of Plaintiffs' damages.

3 8.

4 The Defendants' denial and refusal to pay portions of Plaintiffs' damages constitutes a
 5 breach of the insurance contract.

6 9.

7 As a result of the Defendant's breach of contract, Plaintiffs have been damaged as
 8 follows:

9 a. Plaintiffs have lost their personal contents, including items of great emotional
 10 value, in an amount of not less than \$168,022.68, of which only \$79,736.23 has been paid by
 11 State Farm;

12 b. Plaintiffs have suffered a loss for the existing trees that were damaged as result
 13 of the fire in the amount of \$3800.00 of which no amounts have been paid by State Farm;

14 c. Plaintiffs are entitled to their reasonable attorneys' fees per the terms of ORS
 15 742.061.

16 SECOND CLAIM FOR RELIEF

17 (Negligence)

18 10.

19 Richard Lucas is a State Farm agent and acted as agent for Defendant State Farm.
 20 Richard Lucas, as an agent for State Farm, insisted that Plaintiffs purchase insurance coverage
 21 beyond what was necessary despite knowledge that the limits of the insurance coverage well
 22 exceeded the actual value of the insured items at the Property.

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11.

It is a reasonable consumer expectation that its insurer would not insist on coverage beyond what was necessary or to knowingly recommend an insurance policy with limits that would be unrecoverable based upon the known actual value of the insured property and contents.

12.

At no time did Lucas or State Farm ever advise or work with the Plaintiffs to arrive on an agreed value of their insured property nor adjust their coverage based upon such values.

13.

Defendants' negligent conduct was a direct and foreseeable cause of damage to the Plaintiffs in the form of increased premiums and insurance purchased above what was reasonably necessary, in an amount to be determined at trial.

THIRD CLAIM FOR RELIEF

(Implied Covenant)

14.

Plaintiffs reallege, as if fully set forth herein, paragraphs 1 through 13 above.

15.

The Defendants failed to make payment, refused to make payment, and delayed payment for covered losses, all in violation of their policy of insurance thus causing damages as previously mentioned to the Plaintiffs in paragraph 9.

16.

Defendants violated the implied covenant of a good faith and fair dealing in failing to

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1 properly investigate the loss, adjust the claim, and pay Plaintiffs for all of the losses sustained,
2 which caused damage to Plaintiffs.

3 17.

4 It was foreseeable to Defendants that if it breaches obligations under the terms of its
5 insurance policy, Plaintiffs would suffer the damages, as aforesaid above in paragraph 9.

6 **FOURTH CLAIM FOR RELIEF**

7 (Negligent Misrepresentation)

8 18.

9 Plaintiffs reallege, as if fully set forth herein, all paragraphs above.

10 19.

11 In the course of advertising and promoting its policy, and during its claim handling,
12 the Defendants supplied false information for the guidance of the Plaintiffs. In the course of
13 supplying such information, the Defendant was assisting and acting on Plaintiffs' behalf and
14 Plaintiffs were relying upon Defendants' professional expertise. Therefore the Defendants
15 owe Plaintiffs a duty of care independent of the contract.

16 20.

17 Defendants failed to exercise care or competence in communicating and failing to
18 communicate true and accurate material information to the Plaintiffs.

19 21.

20 Plaintiffs, based upon their professional insurance relationship with the Defendant,
21 had a reasonable expectation that the information supplied by the Defendants would be
22 truthful and accurate. Defendant was manifestly aware, based upon its purported expertise
23

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1 and on its previous course of dealings with Plaintiffs, of the use to which the information was
2 to be put by Plaintiffs. Defendants intended to supply the information for such use.

3 22.

4 Plaintiffs justifiably relied upon the Defendants' material and false information and
5 the reasonable conduct of both Plaintiffs' financial affairs.

6 23.

7 Defendants' false information was a direct and foreseeable cause of damage to the
8 Plaintiffs in the form of increased premiums and insurance purchased above what was
9 reasonably necessary, in an amount to be determined at trial.

10 24.

11 Specifically, the false information by the Defendants were that they advised and
12 insisted to Plaintiffs that they should obtain insurance coverage in excess of the actual value
13 of the property that Plaintiffs wanted to insure.


14
15 WHEREFORE, Plaintiffs pray for a judgment as follows:

- 16 1. Plaintiffs pray for a judgment per the damages that they have sustained per
17 paragraphs 9, 13 and 23;
- 18 2. Plaintiffs pray for pre-judgment interest at the legal rate from April 28, 2013
19 until Judgment and/or verdict;
- 20 3. Plaintiffs pray the recovery of Plaintiffs' attorneys fees, costs and
21 disbursements per the provision of ORCP 68; and
22
23

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Of Attorneys for Plaintiffs